



General Assembly

January Session, 2005

Amendment

LCO No. 5941

HB0556705941HR0

Offered by:

REP. MILLER, 122nd Dist.

To: House Bill No. 5567

File No. 222

Cal. No. 207

**"AN ACT CONCERNING THE CONSERVATION AND LOAD
MANAGEMENT PROGRAM FUNDS."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective from passage*) (a) For purposes of this
4 section, "municipal aggregation unit" means a municipality, or political
5 subdivision thereof, or group of municipalities, or political
6 subdivisions thereof, that serve as an electric aggregator for the
7 purpose of negotiating the purchase of electric generation services
8 from an electric supplier for all electric customers within the legal
9 boundaries of such municipality, or political subdivision thereof, or
10 group of municipalities, or political subdivisions thereof.

11 (b) On and after January 1, 2006, there shall be a municipal electric
12 aggregation demonstration program that shall operate in two phases,
13 each for a period of not more than five years. Such demonstration
14 program shall allow customers of a distribution company, as defined
15 in subsection (a) of section 16-1 of the general statutes, to opt-out of the

16 electric service offered by the municipal aggregation unit. Current
17 customers of competitive suppliers may be offered the opportunity to
18 opt-in to the aggregation and are excluded from opt-out if their
19 supplier provides customer information required by the Department
20 of Public Utility Control pursuant to subsection (e) of this section. The
21 combined number of participants in the demonstration program shall
22 represent not more than five hundred megawatts of load in the state,
23 as determined by the Department of Public Utility Control. Each
24 municipal aggregation unit that seeks to participate in the
25 demonstration program shall file with the department a letter of intent,
26 draft ordinance and such other documentation as the department may
27 require not later than September 1, 2005. The department may
28 establish additional filing deadlines as it deems appropriate. The
29 department shall review such filings to ensure that the municipalities
30 participating in the demonstration program represent a diverse range
31 of population sizes. Each municipal aggregation unit shall retain the
32 services of a firm having expertise in electric aggregation and energy
33 procurement to provide assistance with its participation in the
34 demonstration program, including, but not limited to, the
35 development of its request for proposal. Municipalities or political
36 subdivisions of municipalities that are served by municipal electric
37 utilities that have declined to participate in the competitive electric
38 generation market prior to January 1, 2005, shall not be eligible to
39 participate in this demonstration program.

40 (c) A municipality shall initiate a process to form or join a municipal
41 aggregation unit by the adoption of an ordinance.

42 (d) The municipal aggregation unit shall issue a request-for-
43 proposal to licensed electric suppliers for the provision of electric
44 generation service and select a bidder after providing a written
45 analysis that the economic benefits will be equal to or exceed the
46 current or projected economic benefits of receiving electric generation
47 services through transitional standard offer service or standard service.
48 The municipal aggregation unit shall not be subject to the provisions of
49 section 16-245s of the general statutes.

50 (e) Not later than June 15, 2005, the Department of Public Utility
51 Control shall open a proceeding to develop a set of demonstration
52 program requirements which shall include, but not be limited to, the
53 manner by which electric customers are provided (1) notice of the
54 initiation of a demonstration program, (2) information regarding rates
55 and environmental characteristics, (3) information regarding contract
56 terms and conditions, and (4) notice regarding a customer's right to
57 cancel service. Electric customers shall be given not less than sixty days
58 notice prior to the initiation of a demonstration project.

59 (f) Not later than January 1, 2008, the Department of Public Utility
60 Control, in consultation with the Office of Consumer Counsel, shall
61 submit, in accordance with section 11-4a of the general statutes, a
62 report regarding the performance of the municipal electric aggregation
63 demonstration program to the joint standing committee of the General
64 Assembly having cognizance of matters relating to energy. The report
65 shall also include findings and recommendations regarding whether or
66 not the time period for this demonstration program should be
67 extended, and whether or not the program should be expanded state-
68 wide.

69 Sec. 502. Subdivision (31) of subsection (a) of section 16-1 of the
70 general statutes is repealed and the following is substituted in lieu
71 thereof (*Effective from passage*):

72 (31) "Electric aggregator" means (A) a person, municipality,
73 municipal aggregation unit, as defined in section 1 of this act, or
74 regional water authority that gathers together electric customers for
75 the purpose of negotiating the purchase of electric generation services
76 from an electric supplier, or (B) the Connecticut Resources Recovery
77 Authority, if it gathers together electric customers for the purpose of
78 negotiating the purchase of electric generation services from an electric
79 supplier, provided such person, municipality, unit or authority is not
80 engaged in the purchase or resale of electric generation services, and
81 provided further such customers contract for electric generation
82 services directly with an electric supplier or, in the case of a municipal

83 aggregation unit, such customers contract for electric generation
84 services with an electric supplier in accordance with the provisions of
85 section 1 of this act, and may include an electric cooperative
86 established pursuant to chapter 597.

87 Sec. 503. Section 16-245o of the general statutes is repealed and the
88 following is substituted in lieu thereof (*Effective from passage*):

89 (a) To protect a customer's right to privacy from unwanted
90 solicitation, each electric company or electric distribution company, as
91 the case may be, shall distribute to each customer a form approved by
92 the Department of Public Utility Control which the customer shall
93 submit to the customer's electric or electric distribution company in a
94 timely manner if the customer does not want the customer's name,
95 address, telephone number and rate class to be released to electric
96 suppliers. On and after July 1, 1999, each electric or electric distribution
97 company, as the case may be, shall make available to all electric
98 suppliers customer names, addresses, telephone numbers, if known,
99 and rate class, unless the electric company or electric distribution
100 company has received a form from a customer requesting that such
101 information not be released. Additional information about a customer
102 for marketing purposes shall not be released to any electric supplier
103 other than a municipal aggregation unit unless a customer consents to
104 a release by one of the following: (1) An independent third-party
105 telephone verification; (2) receipt of a written confirmation received in
106 the mail from the customer after the customer has received an
107 information package confirming any telephone agreement; (3) the
108 customer signs a document fully explaining the nature and effect of the
109 release; or (4) the customer's consent is obtained through electronic
110 means, including, but not limited to, a computer transaction.

111 (b) All electric suppliers except municipal aggregation units shall
112 have equal access to customer information required to be disclosed
113 under subsection (a) of this section. No electric supplier except a
114 municipal aggregation unit shall have preferential access to historical
115 distribution company customer usage data.

116 (c) No electric or electric distribution company shall include in any
117 bill or bill insert anything that directly or indirectly promotes a
118 generation entity or affiliate of the electric distribution company. No
119 electric supplier shall include a bill insert in an electric bill of an
120 electric distribution company.

121 (d) All marketing information provided pursuant to the provisions
122 of this section shall be formatted electronically by the electric company
123 or electric distribution company, as the case may be, in a form that is
124 readily usable by standard commercial software packages. Updated
125 lists shall be made available within a reasonable time, as determined
126 by the department, following a request by an electric supplier. Each
127 electric supplier seeking the information shall pay a fee to the electric
128 company or electric distribution company, as the case may be, which
129 reflects the incremental costs of formatting, sorting and distributing
130 this information, together with related software changes. Customers
131 shall be entitled to any available individual information about their
132 loads or usage at no cost.

133 (e) Each electric supplier shall, prior to the initiation of electric
134 generation services, provide the potential customer with a written
135 notice describing the rates, information on air emissions and resource
136 mix of generation facilities operated by and under long-term contract
137 to the supplier, terms and conditions of the service, and a notice
138 describing the customer's right to cancel the service, as provided in this
139 section. No electric supplier shall provide electric generation services
140 unless the customer has signed a service contract or consents to such
141 services by one of the following: (1) An independent third-party
142 telephone verification; (2) receipt of a written confirmation received in
143 the mail from the customer after the customer has received an
144 information package confirming any telephone agreement; (3) the
145 customer signs a document fully explaining the nature and effect of the
146 initiation of the service; or (4) the customer's consent is obtained
147 through electronic means, including, but not limited to, a computer
148 transaction. A customer who has a maximum demand of five hundred
149 kilowatts or less shall, until midnight of the third business day after

150 the day on which the customer enters into a service agreement, have
151 the right to cancel a contract for electric generation services entered
152 into with an electric supplier. The provisions of this subsection shall
153 not apply to the customers of municipal aggregation units.

154 (f) An electric supplier shall not advertise or disclose the price of
155 electricity in such a manner as to mislead a reasonable person into
156 believing that the electric generation services portion of the bill will be
157 the total bill amount for the delivery of electricity to the customer's
158 location. When advertising or disclosing the price for electricity, the
159 electric supplier shall also disclose the electric distribution company's
160 average current charges, including the competitive transition
161 assessment and the systems benefits charge, for that customer class.

162 (g) Each electric supplier shall comply with the provisions of the
163 telemarketing regulations adopted pursuant to 15 USC 6102.

164 (h) Any violation of this section shall be deemed an unfair or
165 deceptive trade practice under subsection (a) of section 42-110b."